

1. DATE ISSUED (Mo./Day/Yr.) 09/20/2011		2. CFDA NO. 93.511	
3. SUPERCEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded			
4. GRANT NO. 1 PRPPR120011-01-00 Formerly:		5. ADMINISTRATIVE CODES IPR	
6. PROJECT PERIOD Mo./Day/Yr. From 10/01/2011		Mo./Day/Yr. Through 09/30/2014	
7. BUDGET PERIOD Mo./Day/Yr. From 10/01/2011		Mo./Day/Yr. Through 09/30/2014	

**Department of Health and Human Services**  
**Centers for Medicare & Medicaid Services**  
**Office of Acquisitions and Grants Management**  
7500 Security Boulevard  
Baltimore, MD 21244-1850


**NOTICE OF GRANT AWARD**  
AUTHORIZATION (Legislation/Regulations)  
Section 2794 of the Public Health Service Act (Section 1003 of the  
Affordable Care Act)

8. TITLE OF PROJECT (OR PROGRAM) (Limit to 56 spaces)  
**Grants to Support States in Health Insurance Rate Review Grant Cycle II**

9. GRANTEE NAME AND ADDRESS a. California Department of Managed Health Care b. 980 9th St Ste 500 c. d. Sacramento e. CA f. 95814-2724		10. DIRECTOR OF PROJECT (PROGRAM DIRECTOR/PRINCIPLE INVESTIGATOR) (LAST NAME FIRST AND ADDRESS) Elaine Panieski N/A 980 9th Street, Suite 500 Sacramento, CA 95814 Phone: 9163224739
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11. APPROVED BUDGET (Excludes HHS Direct Assistance)		12. AWARD COMPUTATION FOR GRANT	
I HHS Grant Funds Only		a. Amount of HHS Financial Assistance (from item 11.u) 2,162,121	
II Total project costs including grant funds and all other financial participation (Select one and place NUMERAL in box) <b>II</b>		b. Less Unobligated Balance From Prior Budget Periods 0	
a. Salaries and Wages ..... 137,785		c. Less Cumulative Prior Award(s) This Budget Period 0	
b. Fringe Benefits ..... 53,609		d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION 2,162,121	
c. Total Personnel Costs ..... 191,394		13. RECOMMENDED FUTURE SUPPORT	
d. Consultants Costs ..... 0		(Subject to the availability of funds and satisfactory progress of the project):	
e. Equipment ..... 0		YEAR TOTAL DIRECT COSTS YEAR TOTAL DIRECT COSTS	
f. Supplies ..... 0		a. 2 b. 3 c. 4 d. 5 e. 6 f. 7	
g. Travel ..... 0		14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH):	
h. Patient Care - Inpatient ..... 0		a. AMOUNT OF HHS Direct Assistance 0	
i. Patient Care - Outpatient ..... 0		b. Less Unobligated Balance From Prior Budget Periods	
j. Alterations and Renovations ..... 0		c. Less Cumulative Prior Award(s) This Budget Period	
k. Other ..... 1,448,357		d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION 0	
l. Consortium/Contractual Costs ..... 440,071		15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:	
m. Trainee Related Expenses ..... 0		(Select one and place LETTER in box.)	
n. Trainee Stipends ..... 0		a. DEDUCTION	
o. Trainee Tuition and Fees ..... 0		b. ADDITIONAL COSTS	
p. Trainee Travel ..... 0		c. MATCHING	
q. TOTAL DIRECT COSTS ..... 2,079,822		d. OTHER RESEARCH (Add / Deduct Option)	
r. INDIRECT COSTS (rate of ) ..... 82,299		e. OTHER (See REMARKS)	
s. TOTAL APPROVED BUDGET \$ 2,162,121		16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, HHS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:	
t. SBIR Fee ..... 0		a. The grant program legislation cited above.	
u. Federal Share \$ 2,162,121		b. The grant program regulation cited above.	
v. Non-Federal Share \$ 0		c. This award notice including terms and conditions, if any, noted below under REMARKS.	
		d. HHS Grants Policy Statement including addenda in effect as of the beginning date of the budget period.	
		e. 45 CFR Part 74 or 45 CFR Part 92 as applicable.	
		In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.	

REMARKS: (Other Terms and Conditions Attached - ☐ Yes ☒ No)  
Please refer to the following award Attachments: 1) Standard Terms and Conditions

GRANTS MANAGEMENT OFFICER:  (Signature)		(Name - Typed/Print) Ms. Feagins, Michelle		(Title) Senior Grants Management Specialist	
17. OBJ CLASS FY-CAN 4115	18. CRS - EIN 1680461278A1	19. LIST NO.	CONG. DIST.: 05		
20. a. 1-5992933	b. PRPPR0011A	c. IPR	d. 2,162,121	e. 0	
21. a.	b.	c.	d.	e.	
22. a.	b.	c.	d.	e.	

## **AWARD ATTACHMENTS**

California Department of Managed Health Care

1 PRPPR120011-01-00

1. FY11 Standard Terms and Conditions

**The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II**

**Standard Terms & Conditions  
Attachment A**

1. **The CMS/Center for Consumer Information and Insurance Oversight (CCIIO) Project Officer.** The Project Officer assigned with responsibility for technical and programmatic questions from the grantee is Jacqueline Roche (email is [Jacqueline.Roche1@cms.hhs.gov](mailto:Jacqueline.Roche1@cms.hhs.gov) and telephone is 301-492-4122).
2. **The CMS Grants Management Specialist.** The Grants Management Specialist assigned with the responsibility for the financial and administrative aspects (non-programmatic areas) of grants administration questions from the grantee is Iris Grady in the Division of Grants Management (email is [Iris.Grady@cms.hhs.gov](mailto:Iris.Grady@cms.hhs.gov) and telephone is 301-492-4321).
3. **The HHS Grants Policy Statement (HHS GPS).** This Grant Agreement is subject to the requirements of the HHS GPS that are applicable to the Grantee based on your recipient type and the purpose of this award. This includes any requirements in Part I and II (available at <http://www.hhs.gov/grantsnet/adminis/gpd/index.htm>) of the HHS GPS that apply to an award.

Although consistent with the HHS GPS, any applicable statutory or regulatory requirements, including 45 CFR 92, directly applies to this award apart from any coverage in the HHS GPS.

4. **Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87).** This grant is subject to the requirements as set forth in Title 2 Part 225, State, Local, and Indian Tribal Governments (previously A-87).
5. **Subaward Reporting and Executive Compensation.** This grant is subject to the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282), as amended by section 6202 of Public Law 110-252 and implemented by 2 CFR Part 170. Grant and cooperative agreement recipients must report information for each first-tier subaward of \$25,000 or more in Federal funds and executive total compensation for the recipient's and subrecipient's five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170. Information about the Federal Funding and Transparency Act Subaward Reporting System (FSRS) is available at [www.fsrs.gov](http://www.fsrs.gov). For additional assistance, please contact Iris Grady, the Grants Management Specialist assigned to monitor the subaward reports and executive compensation at [divisionofgrantsmanagement@hhs.gov](mailto:divisionofgrantsmanagement@hhs.gov).
6. **Funding for Grants to Support States in Health Insurance Rate Review – Cycle II.** All funds provided under this grant will be used by the Grantee exclusively for the Grants to States for Health Insurance Rate Review as defined in Section 1003 of the Affordable Care

The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

Act and as described in the grant funding opportunity announcement. If the Grantee uses these funds for any purpose other than those awarded through the Grants to Support States in Health Insurance Rate Review – Cycle II (or those modifications that have the prior written approval of the CCIIO Project Officer), then all funds provided under this grant may be required to be returned to the United States Treasury.

7. **Public Reporting.** When issuing statements, press releases, requests for proposals, bid solicitations, and documents describing the project, clearly state: (1) the percentage of the total cost of the project financed with Federal money; (2) the dollar amount of Federal Funds for the project; and (3) the percentage and dollar amount of the total costs of the project that is financed by nongovernmental sources.

**Special Terms & Conditions**  
**Attachment B**

1. **Acceptance Letter and Assurance.** The grant award is subject to the recipient providing CCIIO a letter as acknowledgement of the award and the acceptance of all Standard and Special Terms and Conditions (STCs) within 30 days of the date of issuance of the award package. With the acceptance of this grant award, the Grantee agrees to ensure that the project is administered in accordance with the grant requirements as indicated in these STCs and that the Grantee is in compliance with the requirements of the grant funding opportunity announcement (FOA).
2. **Award period.** The project period for the Rate Review Grant Program Cycle II is three years, beginning October 1, 2011 and ending September 30, 2014. The total budget approved will be distributed over the 3-year project period, during annual budget periods. During each 12-month budget period, recipients must receive approval to utilize a portion of the total budget approved under this project. Grantees will only have access to the funding approved for that budget period. The first budget period is from October 1, 2011 to September 30, 2012.
3. **Revised Budget.** When the Notice of Grant Award requires the Grantee to submit a revised budget (e.g., a revised timeline, budget narrative and SF-424A section b only), these documents must be submitted within 60 days of the start of the project period or 60 days after the request.
4. **Personnel Changes.** The Grantee is required to notify the CCIIO Project Officer and the HHS Grants Management Specialist within thirty (30) days of any personnel changes affecting the grant's Project Director, Assistant Project Director, or the Financial Officer as well as any named Key Contractor staff.
5. **Collaborative Responsibilities.** At the request of CCIIO, Grantees may be required to participate in scheduled activities and communications to identify and share "best practices" for health insurance premium review, including discussion of state proposals and sharing of information via public websites. CCIIO will post general summaries of the state proposals

The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

on the CCIIO website. Quarterly and Final reports may also be posted on the CCIIO website. The Grantee is required to participate in all required communications (e.g., monitoring calls, guidance calls) as requested by CCIIO.

**6. Required Grant Reporting.**

**A. Requirement to Report Data to the Secretary.** For Cycle II, (like Cycle I) each grant awardee is required to provide certain rate filing data to the Secretary of Health and Human Services. Included as an attachment is the template for providing the required rate filing data to the CCIIO Rate Review Grant Program. As stated in the FOA, States are permitted to use grant funds to enhance their authority and capacity to collect and report the required rate filing data. The Rate Review Grant Program will continue to provide technical assistance to all state awardees and continue to work with the National Association of Insurance Commissioners (NAIC) System for Electronic Rate And Form Filing (SERFF) over the course of the grant period to fulfill the data reporting requirements. All rate filing data is required to be submitted through the Health Insurance Oversight System (HIOS), Rate Review Grant Reporting System.

**B. Quarterly, Annual and Final (Progress) Reports**

1. The Grantee is required to submit Quarterly Progress Reports, an Annual Report and one Final Report via email to the CCIIO Project Officer and the CMS Grants Management Specialist. Quarterly Progress Reports and Annual Progress Reports are due within 30 days after the end of the quarter or budget period (in the case of the annual report). These reports must comply with the format provided in the attachments to the Notice of Grant Award and these STCs: the **Health Insurance Rate Review Grant Program Cycle II Quarterly Report Template** and the **Health Insurance Rate Review Grant Program Cycle II Annual Report Template**.
2. The Grantee is required to submit a Final Report to the CCIIO Grant Project Officer and the CMS Grants Management Specialist within 90 days after the project period ending date. This report must comply with the format provided in the attachments to the Notice of Grant Award and these STCs: the **Health Insurance Rate Review Grant Program Cycle II, Final Report Template**.
3. In each progress report (quarterly, annual and final), the Grantee must describe the progress, and provide data on, the Grantee's impact on enhancing the rate review process for health insurance premiums in the state and provide context on the data on health insurance premiums provided to the Rate Review Grant Program. The Grantee will describe each activity performed in the quarter/year and how that activity was linked to enhanced rate review practices.
4. All quarterly, annual and final (progress) reports must be submitted electronically via the HIOS system.

The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

- 7. Required Financial Reports.** The Federal Financial Report (FFR or Standard Form 425) has replaced the SF-269, SF-269A, SF-272, and SF-272A financial reporting forms. All grantees must utilize the FFR to report cash transaction data, expenditures, and any program income generated.

Grantees must report, on a quarterly basis, cash transaction data via the Payment Management System (PMS) using the FFR in lieu of completing a SF-272/SF272A. The FFR, containing cash transaction data, is due within 30 days after the end of each quarter. The quarterly reporting due dates are as follows: 1/30, 4/30, 7/30, 10/30. A Quick Reference Guide for completing the FFR in PMS is at:

[www.dpm.psc.gov/grant\\_recipient/guides\\_forms/ffr\\_quick\\_reference.aspx](http://www.dpm.psc.gov/grant_recipient/guides_forms/ffr_quick_reference.aspx).

In addition to submitting the quarterly FFR to PMS, Grantees must also provide, on an annual basis, a hard copy FFR to CMS which includes their expenditures and any program income generated in lieu of completing a Financial Status Report (FSR) (SF269/269A). Expenditures and any program income generated should only be included on the annually submitted FFR, as well as the final FFR.

Each hard-copy FFR should contain cash transaction data, expenditures, and any program income generated. Annual hard-copy FFRs should be mailed and received within 30 calendar days of the applicable budget period end date. The final FFR should be mailed and received within 90 calendar days of the project period end date (September 30, 2014). Grantees should access the following link in order to electronically complete and print the FFR: [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/). See the charts below for more information on reporting due dates for hard-copy FFRs.

See below for due dates for the annual hard-copy FFR:

Budget Period	Reporting Period Due Date
October 1, 2011 to September 30, 2012	October 30, 2012
October 1, 2012 to September 30, 2013	October 30, 2013

See below for the due date for the **final** hard-copy FFR:

The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

<i><b>Project Period</b></i>	<i><b>Reporting Period Due Date</b></i>
October 1, 2011 to September 30, 2014	Final report – 3 year reporting period October 1, 2011 to September 30, 2014 Due: December 30, 2014

The hard-copy FFRs should be mailed to the attention of Grants Management Specialist, Iris Grady, at the following address:

Centers for Medicare and Medicaid Services (CMS)  
Center for Consumer Information and Insurance Oversight (CCIIO)  
200 Independence Ave., S.W.  
Room 733H-02  
Washington, DC 20201

**Grantees shall liquidate all obligations incurred under the award not later than 90 days after the end of the project period and before the final FFR submission. It is the Grantee's responsibility to reconcile reports submitted to PMS and to CMS. Failure to reconcile final reports in a timely manner may result in canceled funds.**

For additional guidance, please contact your Grants Management Specialist, Iris Grady.

**8. Data Center Requirements.** As outlined in the Cycle II FOA, up to \$500,000 in grant funds are permitted to be used to establish an optional data center as described in Section 2794 of the Public Health Service Act. All states choosing to use grants funds to support a data center must provide the following information either in the Cycle II application or in a subsequent submission to the Rate Review Grants Program.

- a. Name, location, and governance of Data Center. Please make certain that the data center meets the requirements as outlined in the Affordable Care Act.
- b. Full description of Data Center's current mission;
- c. Described function and scope of work for data center;
- d. Describe how proposed research will add to existing body of available fee schedule data;
- e. Plans for public disclosure of data; and
- f. Full and/or modified budget for the data center with a line-item breakout.

Note all proposals for a data center must be free from conflict of interests as outlined in section 2794(d)(2). Once reviewed, the State will receive a letter from the Rate Review Grant Program indicating approval or denial of the proposed data center. Please note the letter of approval or denial may come after the Cycle II Notice of Grant Award; however, a State cannot begin

The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

implementation of the proposed data center until an official letter of approval is provided to the State from the Rate Review Grant Program.

- 9. Acceptance of Application and Terms of Agreement.** Initial expenditure of funds by the grantee constitutes acceptance of this award.



The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

**ATTACHMENT A:**

**Grants to States for Health Insurance Rate Review – Cycle II, Phase I**

**TIMELINE**

**October 1, 2011– September 30, 2014**

<b><u>ACTIVITY</u></b>	<b><u>TIMELINE</u></b>
Notice of Grant Award (NGA)	September 20, 2011
Project period begins	October 1, 2011
Due Date to Accept Award Package	October 20, 2011
Notify CCIIO of Fiscal Agent/Officer Responsible for completing the Financial Forms	October 30, 2011
Revised Budget and SF-424A (only when applicable)	Due within 60 days of October 1, 2011 (by November 30, 2011)
<b><u>Programmatic Reports:</u></b>	
Quarterly Progress Reports	Due 30 days after the end of each Federal Fiscal Quarter
Annual Report	Due 30 days after the end of the Budget Period
Final Programmatic Report	Due 90 days after the conclusion of the Project Period

**Please note the Health Insurance Rate Review Grant Program will schedule  
technical assistance calls both before and after report due dates as necessary and upon  
request**

The Health Insurance Rate Review Grant Program  
Grants to Support States in Health Insurance Rate Review – Cycle II  
Standard and Special Terms and Conditions

Awardees must respond to requests necessary for the evaluation of the Health Insurance Rate Review Grants

Ongoing and as requested by CCHIO

**Federal Financial Reports:**

Federal Financial Report (FFR SF 425)

Quarterly FFR including cash transactions data due within 30 days after the end of each Federal quarter.

Annual hard-copy FFR including cash transactions and expenditures data due annually within 30 days after the budget period end date.

Final hard-copy FFR including cash transactions and expenditures data due within 90 days of the project period end date.

Liquidation of all Obligations

Due 90 days after the project period end date and prior to filing of the final Federal Financial Report (SF-425).

No Cost Extension Request

Should the State need a no cost extension, a written request to the Project Officer and Grants Management Specialist must be received no later than 30 days prior to the project period end date of September 30, 2014 (*recommend submission of request no later than 90 days prior to the project period end date*).